

JUL-30-2019 06:44 From: ALLEN & EAKES ATTY 8642318411

To: 803 896 5246

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2019-189-WS

ALLEN AND EAKES

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July 30, 2019

Via Fax: 803-896-5246

And Regular First Class Mail

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JUL 30 2019

PSC SC
MAIL / DMS

The Honorable Jocelyn D. Boyd
 Chief Clerk/Administrator, PSC of SC
 Public Service Commission of South Carolina
 101 Executive Center Drive, Suite 100
 Columbia, SC 29210

RE: Order No. 2019-507 to Docket No. 2019-189-WS: Application of JACABB Utilities, LLC to request to establish sewer pass-through rates for JACABB Utilities, LLC and approval of a Water Systems and Sanitary Sewerage Asset Purchase Agreement with Triangle Real Estate to serve Rosewood at Clemson Development in City of Clemson, South Carolina

Dear Ms. Boyd,

The above referenced order, Order No. 2019-507, granted the Applicant's request for a temporary waiver of the DHEC and engineering documents with limitations. The Applicant understands the importance of submitting a completed application; however, to keep with the Developer's timeline the Applicant was praying that the Commission would accept the Application and proceed with the rates request without the DHEC and engineering documents until they were submitted to the Applicant. Applicant contends that the DHEC and engineering documents are not relative to the rate case and acknowledges that the systems will not be put into service without the approvals.

Here is the status of the documents for which we are requesting a temporary waiver:

1. SC DHEC construction permit. This was submitted to the City of Clemson on 6/12/2019 and on 7/19/19 we submitted the last of the documents they needed for the Delegated Review Process (DRP) approval. We expect that they will send the application to DHEC for approval without delay. Construction permits are anticipated by the end of July 2019. Construction of the infrastructure cannot be started until the permits have been received.
2. The statement by a professional engineer that the system was built and installed according to plans and specification will not be received until the construction has been completed. The timeline for construction to be completed is in the November/December 2019 timeframe.

3. The letter from SC DHEC approving the system for operation will be issued after receiving the letter from the professional engineer. Upon construction completion, the Developer plans on renting the apartments.

To meet the Developer's aggressive construction schedule the Applicant's desire was to run the PSC application at the same time as the SC DHEC process in order to have the approvals from both agencies to receive customers on the proposed project. The Applicant understands that the transfer of the system is conditioned upon approval of both the Commission and SC DHEC.

The Applicant has no control over when construction will be completed and when SC DHEC will issue the approval to place the system into operation. Construction will require several months and we will not be able to have the documents to the Commission by August 12, 2019. Therefore, the Applicant respectfully requests that the temporary waiver granted on Order No. 2019-507 be extended until SC DHEC issues the construction permit and the approval for placing the system into operation. Applicant acknowledges and will abide by all other deadlines established by the Commission. The statement by a professional engineer that the system was built and installed according to plans and specification will be submitted by the Applicant as soon as construction has been completed and the engineer has issued the letter.

The Applicant prays that the Commission extends the waiver and proceed with processing the application to approve the rates in order for the Utility to be approved for owning, operating, and maintaining the water and sewer system so the Developer can proceed with the project for student housing.

The Utility requests approval to submit these items below to the Commission upon receipt by the engineer and SC DHEC:

- a. Construction permit from the South Carolina Department of Health and Environmental Control approving the engineering plans and specifications may be received by July 29, 2019.
- b. Statement by a professional engineer that the system was built and installed according to plans and specifications on file with the commission and will furnish adequate service for the area to be served. This statement should be received in the November/December 2019 timeframe.
- c. Letter from the South Carolina Department of Health and Environmental Control approving the system for operation. This letter should be received in the November/December 2019 timeframe.

The Utility understands that the construction timeline is aggressive and the Utility's desire is to not be the cause of a slow-down in the schedule.

The Applicant is requesting the Commission to approve our application without waiting for these documents with the understanding that the approval from both the Commission and SC DHEC is required before the system can be operational and any charges for water and sewer can be made to the Developer and/or tenants of the apartments.

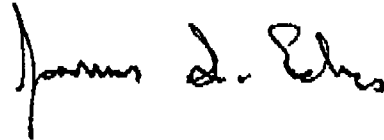
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If you have any questions or need additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "James S. Eakes". The signature is fluid and cursive, with the first name "James" and last name "Eakes" clearly distinguishable.

James S. Eakes
Attorney at Law
SC Bar No. 1820

cc: Steve Goldie, Managing Owner JACABB Utilities, LLC
Jenny R. Pittman, Esquire Office of Regulatory Staff